

Statement for the Record

Bridger McGaw
Acting Assistant Secretary
Private Sector Office
Department of Homeland Security

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Chairwoman Velázquez, Ranking Member Graves and Members of the Committee:
Thank you for the opportunity to discuss the efforts of the Department of Homeland Security (DHS) to prepare small businesses for the upcoming flu season.

I am Bridger McGaw, the Acting Assistant Secretary for the Department of Homeland Security, Private Sector Office. I have held this position since March of this year.

Small businesses, which the U.S. Small Business Administration (SBA) defines as those with fewer than 500 employees, represent 99.9% of all 30 million American-owned businesses¹. In short, as this committee knows well, preparing the small business community is vital to preparing the nation.

As Homeland Security Presidential Directive 5 states, DHS's role in a pandemic is to act as the principal Federal official for domestic incident management². In anticipation of this year's flu season, DHS has worked extensively with our interagency partners to prepare H1N1 guidance for schools, universities and businesses. This includes the development of a guide for small businesses. DHS's objective during a potential pandemic is to minimize disruptions in society and the economy. By providing this guidance, DHS is promoting tools that individuals and businesses can use to mitigate the impact of H1N1. Throughout the summer, DHS has maintained outreach to businesses to provide guidance and situational awareness on our planning efforts. As we enter flu season, we will adjust this outreach as the science dictates.

Preparedness is a shared responsibility of the public and private sector, as well as every household and business, but the stakes are especially high for small businesses. According to the Institute for Business and Home Safety, 25 percent of businesses do not reopen following a major disaster³. By using the H1N1 flu guidance provided by the government and reaching out to local community officials, small businesses can become

¹ US Small Business Administration, *Advocacy Small Business Statistics and Research*. Available from <http://web.sba.gov/faqs/faqIndexAll.cfm?areaid=24>.

² *Homeland Security Presidential Directive 5*. Available at http://www.dhs.gov/xabout/laws/gc_1214592333605.shtm.

³ Institute for Business and Home Safety. *Open for Business*. Available from: <http://www.ibhs.org/docs/OpenForBusiness.pdf>.

more resilient and productive through the flu season and beyond. Simply put, preparing now can help businesses build resiliency into their broader business models and can increase their capacity to better withstand all hazards.

About the Private Sector Office

The Private Sector Office (PSO) was established with the passage of the Homeland Security Act of 2002⁴. PSO's responsibilities were expanded in the Intelligence Reform and Terrorism Prevention Act of 2004⁵ and the 9/11 Commission Act of 2007⁶.

PSO has a wide range of responsibilities. Perhaps most importantly, we create and foster partnerships with the private sector to address our shared homeland security challenges. The office also advises the Secretary on the impact of the Department's policies, regulations, processes and action on the private sector and works with other Federal agencies with homeland security missions on private sector issues. In particular, we consult with the Department of Commerce on matters related to the travel and tourism industry.

PSO works with the private sector to promote existing public-private partnerships and develop new, collaborative approaches to address homeland security challenges. We also work with industry to identify private sector resources that can supplement government response efforts.

The private sector is a very diverse constituency. We work with businesses of all sizes, trade associations, national labs, non profits, non governmental organizations and academia. PSO communicates with these diverse stakeholders regularly to share information, and continues to seek out opportunities to expand the private sector's access to preparedness guidance.

To reach 30 million businesses, PSO partners not only directly with businesses, but also with umbrella and other organizations that can amplify our message. PSO works with many trade associations representing small business owners, which in turn share information with their members. For example, PSO has collaborated with the National Association of Manufacturers and the National Retail Federation (NRF), both of which represent many small businesses. With the help of organizations like these, we are able to extend our ability to reach as much of the private sector as possible and distribute critical H1N1 information.

PSO also regularly works with local chambers of commerce, which are typically comprised of local and small businesses. For example, the Business Council of Fairfield County, Conn., distributed the PSO's H1N1 e-mail updates to their 300 members and posted links to www.flu.gov on their website.

⁴ Homeland Security Act §1, 6 U.S.C. 112 § 102 (f) (2002).

⁵ Intelligence Reform and Terrorism Prevention Act §7402, 50 U.S.C. § 112 (2004).

⁶ Implementing Recommendations of the 9/11 Commission Act § 902(a), 6 U.S.C. § 321 (2007).

H1N1 Response

Throughout the federal government's response to the appearance of H1N1 flu, PSO has engaged in outreach to businesses to advise them on steps they can take to mitigate H1N1's effects.

The pandemic planning efforts in 2006 and 2007 for avian flu proved beneficial in the federal response to the initial H1N1 outbreak in April. The spring outbreak gave us an opportunity to assess our incident response capabilities and capacity. As the outbreak developed, Secretary Napolitano stressed the importance of getting information out to the public, including the private sector, about the extent of the outbreak, the government's response efforts, and what the public could do to stay healthy. DHS has been active in the interagency community's pandemic planning efforts, including the production of numerous materials and guidance on pandemic flu planning. Science continues to inform our communications and guidance about the strain of influenza so the best information can be provided in a timely manner.

We found that businesses of all sizes and scope generally had very similar informational needs regarding the extent of the outbreak and the resources and actions recommended to mitigate the potential impact. Businesses in particular wanted situational awareness so they could make informed decisions about their workforce and better communicate that information with their suppliers.

In coordination with the interagency community, DHS provided phone briefings to the private sector on the latest developments. These regular briefings, one of which had more than one thousand participants, provided private sector representatives access to, and importantly, answers from subject matter experts from the Centers for Disease Control and Prevention (CDC), the DHS Office of Health Affairs (OHA), U.S. Customs and Border Protection (CBP), Transportation Security Administration (TSA), and other DHS components. The private sector representatives on the call served as force multipliers, spreading the latest information to their memberships and networks. These briefings decreased in frequency as the situation reached a steady state over the summer. DHS remains prepared to increase use of these calls in accordance with scientific developments or demonstrated stakeholder needs. DHS also remains prepared to disseminate any new guidance on protecting the workforce, planning for the upcoming flu season, or mitigating the impacts of the spread of H1N1 as it is developed.

Additionally, DHS provided compilations of information in reports and daily e-mail updates to help fill the information gap our partners faced in the days immediately following the initial outbreak. With the help of our private sector partners, we were able to get the right information to employers, employees, trade associations, and others. PSO continues to send weekly e-mails with preparedness updates and the latest information from DHS, CDC and the public health community⁷. DHS's Homeland

⁷ Businesses can sign up for these updates at:
https://service.govdelivery.com/service/subscribe.html?code=USDHS_99.

Security Infrastructure Threat and Risk Analysis Center (HITRAC) also produced two Infrastructure Impact Assessments with useful information for State, local, and private sector partners. HITRAC continues to coordinate with our interagency partners to monitor the impact of H1N1 on infrastructure and is ready to produce additional assessments in accordance with the severity of the outbreak.

The private sector responded very positively to these outreach efforts. For example, the American Hotel and Lodging Industry, which estimates that half of their 11,000 members are small businesses, applauded DHS's updates, using information provided by DHS to inform their membership.

Creating Business Guidance

While previous planning materials were extremely valuable and many of the tactics are still applicable, we found that some changes were needed to address the differences between the 2006 avian flu scenarios and the 2009 flu season. As a result, DHS, the Department of Health and Human Services (HHS), and CDC worked together to provide updated guidance to help the private sector and the academic community best prepare for H1N1. DHS, HHS, and the Department of Education jointly released updated guidance for the K-12 education community on August 7, 2009. DHS, HHS, and the Department of Commerce jointly released the updated business guidance on August 19, 2009 with guidance for the higher education community on August 20, 2009⁸. These guidance materials and corresponding communications tool kits were widely disseminated to the private sector by DHS.

In conjunction with the business guidance, DHS also produced a short, user-friendly guidebook on H1N1 preparedness aimed at small businesses. The guidebook was drafted in consultation with the interagency community, including the CDC, HHS, SBA and the Departments of Treasury, Commerce and Labor.

The small business guide is a focused compilation of public health recommendations, including the updated business guidance. The guide distills the recommendations down to an easy-to-read short booklet targeted directly at small business owners and employers.

SBA provided substantial feedback to ensure the guidance was helpful for small business owners and also included web links to relevant SBA resources. The guide highlights how to make a plan to ensure their continued operations, steps businesses can take to protect their environment, and steps their employees can take to protect themselves from H1N1 flu.

Making this critical information readily digestible for the busy small business owner is of the utmost importance. Our interagency partners will help disseminate the guide to ensure it reaches the broadest small business base possible. We will also work with the private sector to ensure continued dissemination of H1N1 information. The small

⁸ Guidance for businesses and schools is available at <http://www.flu.gov>

business guidance is in the final stages of review and we anticipate disseminating it in the coming weeks.

Planning for H1N1 can also help businesses prepare for all types of disasters. DHS's site www.ready.gov is a resource for individual and business preparedness information. In particular, Ready Business has a mentoring initiative which is designed to help small to medium size businesses prepare for emergencies. Materials for small businesses include a sample emergency plan, worksheets to help businesses inventory their equipment and assets, and information on dealing with employee concerns, facilities management, and much more. There are also materials available to help business and community leaders lead business preparedness workshops and training sessions⁹.

Looking Forward

This spring's outbreak of H1N1 influenza was a tangible reminder of the threat that novel influenza outbreaks pose to our nation. The threat posed by a pandemic is real, but it is a threat that can be mitigated through preparedness. Preparedness is a shared responsibility and small businesses must prepare for a flu pandemic to ensure their doors stay open and their employees stay healthy; our nation's economic health and security depend on a resilient private sector.

PSO is reaching out to associations that serve small business to ensure their needs are being addressed. PSO will continue to build and strengthen relationships with organizations that represent small businesses in various industries, including trade associations that have small businesses as members.

DHS will continue to work closely with the private sector to share information as the 2009 flu season progresses, distributing updates on H1N1 to the private sector via e-mail updates, scheduled conference calls, and our other regular information sharing activities. These activities include: regular interactions with private sector representatives by PSO and IP; meetings with DHS leadership; and information sharing mechanisms of the critical infrastructure sectors, fusion centers, and DHS' regional component offices. For example, today, DHS and HHS are kicking off weekly calls using the Private Sector Incident Communications Conference Line (PICCL) to brief private sector representatives of the latest information on H1N1.

We continue to advocate that businesses contact their local health officials to open the lines of communication and secure timely information about developments specific to their community. The materials available at www.ready.gov and www.flu.gov provide a wealth of tools for businesses to prepare for H1N1 and all hazards.

⁹ The www.ready.gov mentoring initiative materials are available at: <http://www.ready.gov/business/mentor/index.htm> (English), <http://www.listo.gov/negocios/mentor/index.htm> (Spanish).

Conclusion

Good emergency planning will continue to yield returns for small businesses beyond this fall. By preparing for the flu season, small businesses will also be more likely to be prepared for any hazard or threat they may face.

Again, preparedness is a shared responsibility – we can issue guidance, but businesses must take it to heart. Businesses of all sizes must use the guidance provided to build actionable emergency plans. The lines of communication are open and we remain committed to an ongoing dialogue with the private sector on how we can build a more resilient and prepared nation.

Chairwoman Velázquez, Ranking Member Graves and Members of the Committee:
Thank you again for this opportunity to testify. I look forward to your questions.